



News for Immediate Release

Electrovaya Completes Transformational Acquisition of Evonik Litarion GmbH and Licensing of SEPARION™ Intellectual Property, a Unique Ceramic Composite Separator, from Evonik

Toronto, Ontario – April 29th, 2015 – Electrovaya Inc. (“Electrovaya” or “Company”) (TSX: EFL) and Evonik Industries AG (“Evonik”) (FRANKFURT: EVK) are pleased to announce that Electrovaya has completed the acquisition of Evonik Litarion GmbH (“Litarion”) and licensing of SEPARION™ (“Separion”) intellectual property, a unique ceramic composite separator, from Evonik. The transaction comprises one of the most advanced and automated production plants for lithium ion electrodes and ceramic composite separators, with a rated capacity of 0.5 Gigawatt hours (GWh) of electrodes and 10 million m² of ceramic separators along with all associated intellectual property.

This is a transformational acquisition for Electrovaya as it instantly brings best-in-class manufacturing, and capacity to meet exciting growth prospects for the company’s energy storage and other products.

Separion is a proprietary ceramic composite separator for ultra-safe lithium ion battery applications. The acquisition includes an exclusive license to distribute as well as the ability to sub-license, form joint ventures, expand production within Germany, establish additional plants in Asia and elsewhere. Previously Separion had a restricted customer base, however now this exciting and desirable material will be marketed and made available globally. Over 170 protective rights relate to the Separion separator.

Furthermore, Litarion owns numerous patents concerning chemical cell components for lithium ion batteries. The portfolio contains more than 70 protective rights. Collectively, this portfolio of intellectual property and patents accompanies the purchase of Litarion.

The highlights of the transaction are:

- State of the art lithium ion electrode and ceramic composite separator manufacturing facility in Europe
- Acquiring experienced management and strong technical team to manage operations and future growth
- Electrovaya’s green production process will eliminate the conventional solvent usage and allow up to 50% reduction in processing costs, about 80% reduction in energy costs while producing higher performing products, bringing the plant to the very bottom of the cost curve globally
- Manufacturing capacity will enable Electrovaya to bid on larger energy storage system opportunities worldwide, which the company was previously unable to do due to lack of capacity

- Acquiring a large portfolio of intellectual property in Litarion including patent assets which relate to electrodes, electrolytes and lithium ion battery cells, built over the years of research under the roof of Evonik.

Products from the plant will now be expanded to broader and higher margin markets including grid-scale energy storage, aerospace, micro-grids and marine industries. This large volume facility and its seasoned management team will drive key energy storage revenues globally.

Dr. Sankar Das Gupta, Chairman and CEO of Electrovaya says

"Conventional manufacturing of lithium ion employs a toxic NMP (n-methyl-pyrrolidone) process, which is prohibitively expensive and energy intensive. Regulations are becoming more stringent in Japan, Europe and North America. Electrovaya's unique non-toxic manufacturing technology will enable this best-in-class plant to become one of the lowest cost producers, as well as the greenest and one of the largest manufacturers globally. We are delighted to be working with an exceptional and experienced team at Litarion."

"We also intend to make the ceramic composite separator available to all producers of lithium ion batteries and make it an industry standard. All lithium ion applications where safety is important such as energy storage, electric vehicles, aerospace and utilities, should, in our opinion, utilise this separator which gives vastly improved safety performance to lithium ion batteries and cells. Electrovaya's proprietary green process provides low cost lithium ion batteries and this ceramic composite separator affords the highest safety, two critical challenges in the energy storage industry."

Dr. André Mecklenburg, COO of Litarion says

"We look forward to growing the business within and beyond the border of Germany in partnership with Electrovaya. We believe that the combination of Electrovaya's technology with Litarion technology, IP and people will provide a strong platform to expand the business. Everybody here is eager to start working with the merged team."

Dr. Henrik Hahn, Evonik Industries AG, Corporate Strategy says

"In line with our focussing on specialty chemicals, we had been seeking new perspectives for Litarion and decided to divest this activity to Electrovaya after extensive due diligence. We feel it is the right partner to carry Litarion forward."

Mr. Udo Richter, head of Workers Council for Litarion says

"Over the last years our skilled team did really a great job. All employees are highly motivated to bring forward the company under the new ownership."

About Electrovaya Inc.

Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion Super Polymer® batteries, battery systems, and battery-related products for energy storage, clean electric transportation, Utility Scale Energy Storage and smart grid power, consumer and healthcare markets. The

Company's mission is to mitigate Climate Change by having the highest efficient energy storage systems, accelerate clean transportation with its advanced power system for all classes of zero-emission electric vehicles and plug-in hybrid electric vehicle, deliver Utility Scale Energy Storage Systems, whether the electricity is generated from intermittent wind and solar power or from other sources. Headquartered in Ontario, Canada, Electrovaya has production facilities in Canada and customers around the globe. *To learn more about how Electrovaya is powering mobility, please explore www.electrovaya.com*

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Electrovaya Inc.

Forward-Looking Statements

This press release contains forward-looking statements, including statements that relate to, among other things, revenue forecasts, technology development progress, plans for shipment using the Company's next generation 2.0 technology, production plans, the Company's markets, objectives, goals, strategies, intentions, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negative thereof) and words and expressions of similar import. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include but are not limited to: general business and economic conditions (including but not limited to currency rates and creditworthiness of customers); Company liquidity and capital resources, including the availability of additional capital resources to fund its activities; level of competition; changes in laws and regulations; legal and regulatory proceedings; the ability to adapt products and services to the changing market; the ability to attract and retain key executives; and the ability to execute strategic plans. Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the Company's most recent annual and interim Management's Discussion and Analysis under "Risk and Uncertainties", as well as in other public disclosure documents filed with Canadian securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.

About Evonik Industries

Evonik, the creative industrial group from Germany, is one of the world leaders in specialty chemicals. Profitable growth and a sustained increase in the value of the company form the heart of Evonik's corporate strategy. Its activities focus on the key megatrends health, nutrition, resource efficiency and globalization. Evonik benefits specifically from its innovative prowess and integrated technology platforms.

Evonik is active in over 100 countries around the world. In fiscal 2014 more than 33,000 employees generated sales of around €12.9 billion and an operating profit (adjusted EBITDA) of about €1.9 billion.

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